

# County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration 500 West Temple Street, Room 713, Los Angeles, California 90012 (213) 974-1101 http://ceo.lacounty.gov

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October 21, 2008

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, CA 90012

Dear Supervisors:

DEPARTMENT OF PARKS AND RECREATION:
AWARD JOB ORDER CONTRACTS
SPECIFICATIONS -VARIOUS
(ALL DISTRICTS) (3 VOTES)

#### SUBJECT

Approval of the recommendation will allow the Department of Parks and Recreation to engage in flexible and cost-effective unit price contracts with Angeles Contractor, Inc., for repair and refurbishment of County Park Facilities.

#### IT IS RECOMMENDED THAT YOUR BOARD:

- 1. Find the Job Order Contract work orders exempt from the California Environmental Quality Act.
- 2. Award two Job Order Contracts to Angeles Contractor, Inc., Contract No. (P8) and Contract No. (P9) for a maximum cost of \$4 million each, to be financed from refurbishment and extraordinary maintenance projects budgets as deemed appropriate by the Director of Parks and Recreation.
- 3. Authorize the Director of Parks and Recreation to prepare and execute the Job Order Contracts in the form previously approved by County Counsel, and to establish the effective date following the receipt of approved Faithful Performance and Labor and Materials Bonds filed by Angeles Contractor, Inc.

"To Enrich Lives Through Effective And Caring Service"

4. Authorize the Director or his designee, as agent of the County of Los Angeles, to execute work orders as necessary and with concurrence of the Chief Executive Office for use of Job Order Contracts on specified Capital Projects within the not-to-exceed maximum of each contract and to accept the work performed under each work order and to release the retention upon acceptance of the work.

#### PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will expedite the implementation of refurbishment projects of the Department of Parks and Recreation's (Department) deferred maintenance program and other minor repairs to the Department's facilities. These include such projects as refurbishments to restrooms and community buildings, repair and replacement of roofs, and repairs to concrete walkways. The Job Order Contracts (JOCs) may not and will not be used for new construction.

The JOC is a flexible, cost-effective unit price contracting technique that provides for the repair and refurbishment of County facilities that foregoes the intensive process associated with the adoption of plans and specifications. The relatively simple and straightforward process of JOCs reduces administrative requirements and lowers direct construction costs while meeting all Federal, State, and County procurement requirements.

Managers and staff of the Department's Construction Divisions will administer and manage the projects with assistance from the Department of Public Works (Public Works) and as-needed construction consultants.

Public Contract Code Section 20128.5 allows individual JOCs to have a one-year term and a maximum value of \$4 million. A 1997 amendment to the Public Contract Code allows annualized increases in the maximum contract value, based on the Consumer Price Index (CPI).

#### IMPLEMENTATION OF STRATEGIC PLAN GOALS

These actions further the Board-approved Strategic Plan Goals of Service Excellence (Goal 1), Organizational Effectiveness (Goal 3), and Fiscal Responsibility (Goal 4) as these contracts will improve public facilities, restore them to full service more rapidly than with traditional construction contracting, and strengthen the Department's fiscal capacity by employing the cost-effective unit price contracting technique.

#### FISCAL IMPACT/FINANCING

The recommended contracts have a maximum limit of \$4 million each. The contracts will be financed through the appropriate refurbishment projects as budgeted in the Fiscal Year 2008-09 Capital Projects/Refurbishment Budget; the deferred maintenance funding allocated for the Department in the Extraordinary Maintenance Budget based on the Strategic Asset Management Plan (SAMP), or as funded through the Department's operating budget.

# FACTS AND PROVISIONS/LEGAL REQUIREMENTS

A standard contract will be used in the form previously approved by County Counsel. The standard Board-directed clauses for contract terminations, renegotiations, and hiring qualified displaced County employees will be included.

The project specifications also contain provisions requiring the contractors to report solicitations of improper consideration by County employees and allowing the County to terminate the contracts if it is found that the contractors offered or gave improper consideration to County employees.

As requested by your Board on August 12, 1997, and as a threshold requirement for consideration for contract award, Angeles Contractor, Inc., is willing to consider Greater Avenues for Independence Program/General Relief Opportunity for Work (GAIN/GROW) participants for future employment.

Angeles Contractor, Inc., as required on all publicly funded projects in excess of \$1,000, will be required to pay prevailing State wage rates to all persons employed on these JOCs.

As required by your Board, language has been incorporated into the project specifications stating that the contractors shall notify their employees, and shall require each subcontractor to notify its employees about Board Policy 5.135 (Safely Surrendered Baby Law) and that they may be eligible for the Federal Earned Income Credit under the Federal income tax laws.

Angeles Contractor, Inc., is in full compliance with Los Angeles County Code Chapter 2.200 (Child Support Compliance Program) and Chapter 2.203 (Contractor Employee Jury Service Program).

#### **ENVIRONMENTAL DOCUMENTATION**

The proposed actions are not subject to the California Environmental Quality Act (CEQA) as the actions do not meet the definition of a project according to Section 15378 (b) (5) of the State CEQA Guidelines. The actions herein are administrative activities that by their terms do not involve any commitments to any specific projects, which could result in a potentially significant physical impact on the environment.

All work performed under the subject JOCs will be required to comply with the CEQA. The implementation of each work order under these JOCs shall be subject to the Department's prior determination and documentation that the work is categorically exempt from CEQA. In the event the scope of a work order is not exempt, we will return to your Board to recommend approval of the appropriate environmental finding and/or documentation prior to implementation of the work order.

# **CONTRACTING PROCESS**

The Department was assisted by Public Works and the Gordian Group, construction contracting consultants, during the bidding process for these contracts. Both Public Works and the Gordian Group will continue to support the Department during the term of these contracts and Public Works will support the Department in producing the individual notices to proceed and monitoring the total amounts expended and committed under the contracts.

In July 2008, using the JOC Unit Price Book and Specifications adopted by your Board on June 4, 2008, Public Works issued a Request for Bids for a total of two JOCs. Bidders were required to submit a set of cost adjustment factors that would be applied to the unit prices for work in the JOC Unit Price Book. Bids were to be determined by calculating a composite factor using a predetermined and advertised formula, with the JOC Unit Price Book and the contractors' adjustment factors to be incorporated in the awarded contracts.

Competitive bids were received on July 15, 2008. We recommend that your Board award JOCs P8 and P9 to the Lowest Responsive and Responsible Bidder, Angeles Contractor, Inc. The bid results for the two JOCs are summarized in Attachment A.

Angeles Contractor, Inc.'s, three-year contracting history are on file with Public Works.

To ensure the contracts are awarded to responsible contractors with a satisfactory performance history, bidders were required to report violations of the False Claims Act, their civil litigation history, and information regarding prior criminal convictions. The information reported by Angeles Contractor, Inc., was considered before making this recommendation to approve execution of the contracts.

As requested by your Board on February 3, 1998, these JOC opportunities were listed on the Doing Business with Us website. Copies of the website postings are included as Attachment B for your reference.

Public Works has evaluated and determined that the Living Wage Program (County Code Chapter 2.201) does not apply to the recommended contracts as these contracts are for non-Proposition A services.

# IMPACT ON CURRENT SERVICES (OR PROJECTS)

The use of these contracts will expedite the completion of repair or refurbishment work. Minor impacts may occur while repair or refurbishment work is underway.

## CONCLUSION

Please return one adopted, stamped copy of this letter to the Chief Executive Office, Capital Projects Division, and one to the Department of Parks and Recreation..

Respectfully submitted,

WILLIAM T FUJIOKA Chief Executive Officer

WTF:RG:DL JSE:DJT:RB:zu

Attachments

c: County Counsel
 Department of Parks and Recreation
 Department of Public Social Services (GAIN/GROW Program)
 Office of Affirmative Action Compliance

# JOB ORDER CONTRACTS FOR MAINTENANCE, REPAIR, AND REFURBISHMENT OF COUNTY INFRASTRUCTURE AND FACILITIES AWARD CONTRACT SPECS. VARIOUS

Bid Opening Date: July 15, 2008

Bid Summary:	JOC No. P8
Bidder	Total Composite Factor
1. Angeles Contractor, Inc.	0.7740
2. ACE Engineering, Inc.	0.7890
3. MTM Construction, Inc.	0.8000
4. SBS Corporation	0.8250
5. New Creation Builders	0.8299
6. Mackone Development, Inc.	0.8300
7. FHP	0.8445
8. CalPac	0.8490
9. Torres Construction	0.8995
10. Plyco	2.9495

## Attachment A

Bid Summary:	JOC No. P9
<u>Bidder</u>	Total Composite Factor
1. Angeles Contractor, Inc.	0.7440
2. Mackone Development, Inc.	0.7899
3. ACE Engineering, Inc.	0.8000
3. New Creation, Inc.	0.8000
5. FHP	0.8217
6. SBS Corporation	0.8250
7. CalPac	0.8429
8. MTM Construction, Inc.	0.8800
9. Torres Construction	0.8995
10. Plyco	2.9495